

Press Release

 예금보험공사 www.kdic.or.kr	Released on 24 November 2009	No. of pages: 3
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Subject: KDIC sells its stake in Woori Finance Holdings

On 24 November, 2009, the Korea Deposit Insurance Corporation ("KDIC") sold 56,420,000 shares (approximately 7.0% of the total shares outstanding) of Woori Finance Holdings ("Woori") in an after-market block trade sale prior to commencement of trading. The shares were sold to domestic and foreign institutional investors at a price of KRW15,350* per share, resulting in the recovery of KRW866 billion in public funds.

* Equivalent to a 4.36% discount on Woori's closing share price of KRW16,050 on November 23, 2009

Through this transaction, the KDIC has reduced its stake in Woori from 73% to 66%. To date, the KDIC has recovered KRW4.0 trillion of the total of KRW12.8 trillion in public funds it injected into Woori. The KDIC has actively sought to achieve an expedient privatization of Woori through minority stake sell-downs, but has faced difficulties in selling the stake as a result of a sharp decline of share prices amidst the ongoing global financial crisis.

However, the recent sustained recovery in Woori's share price and other key factors has helped create a conducive market environment in which the sale could be contemplated. Given this, the KDIC sought and received approval from the Public Fund Oversight Committee for this block trade sale and was able to achieve a highly successful sale of a 7% stake to domestic and international investors.

* KRW6,350 (end of December, 2008) → KRW16,950 (YTD high, September 18, 2008) → KRW16,050 (November 23, 2009)

Through this transaction, the KDIC successfully achieved a timely recovery of public funds, underscored the government's strong commitment to the expedient privatization of Woori, and expects to provide future share liquidity in order to enhance the value of the residual stake and optimize future recovery of public funds.

Note:

This transaction resulted in the sale of shares to institutional and other qualified investors in the US, Asia, and Europe in accordance with the Rule 144A and the Regulation S.

This press release does not constitute an offer or solicitation for any sale. This transaction has not been, and shall not be registered in accordance with US Securities regulations.

Public offering in the US must be executed in accordance with a prospectus containing Woori Financial Group's financial information and management information. The KDIC does not have the responsibility nor the intention to execute a public offering regarding its shares in Woori Financial Group in the US.

<Appendix>

History of the Sale of KDIC's Stake in Woori Finance Holdings

Domestic Public Offering (11 June 2002)

Sale of 54.0 million shares (at the time of transaction, 7.1% of total shares outstanding) through a domestic public offering for the recovery of public funds of KRW367.2 billion (sale price per share of KRW6,800)

1st Block Trade Execution (9 September 2004)

Sale of 45.0 million shares (at the time of transaction, 5.7% of total shares outstanding) through a block sale for the recovery of public funds of KRW324.0 billion (sale price per share of KRW7,200)

2nd Block Trade Execution (21 June 2007)

Sale of 40.3 million shares (at the time of transaction, 5.0% of total shares outstanding) through a block sale for the recovery of public funds of KRW916.8 billion (sale price per share of KRW22,750)

3rd Block Trade Execution (24 November 2009)

Sale of 56.42 million shares (at the time of transaction, 7.0% of total shares outstanding) through a block sale for the recovery of public funds of KRW866.0 billion (sale price per share of KRW15,350)